

**IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE DISTRICT OF DELAWARE**

In re:

FRANCHISE GROUP, INC., *et al.*,<sup>1</sup>

Debtors.

Chapter 11

Case No. 24-12480 (LSS)

(Jointly Administered)

**Obj. Deadline: July 15, 2025 at 4:00 p.m. (ET)**

**Hearing Date: July 22, 2025 at 10:00 a.m. (ET)**

**NOTICE OF THE GAZZO PARTIES' MOTION FOR AN ORDER  
(I) DETERMINING ESCROWED FUNDS TO BE NON-ESTATE PROPERTY  
AND COMPELLING DISBURSEMENT; (II) GRANTING, IN THE ALTERNATIVE, AN  
ADMINISTRATIVE EXPENSE CLAIM AND PAYMENT FROM ESCROWED FUNDS;  
AND (III) GRANTING RELATED RELIEF**

**PLEASE TAKE NOTICE** that, on July 7, 2025, Joseph Gazzo, MMS Group, LLC, Bi-Rite Holdings, LLC, Buddy's Rollco LLC, 1st Choice Home Furnishings of Donaldsonville, L.L.C., and 1st Choice Home Furnishings of Baton Rouge, L.L.C., (collectively, the "Gazzo Parties"), by and through its undersigned counsel, filed the *Motion for an Order (I) Determining Escrowed Funds to be Non-Estate Property and Compelling Disbursement; (II) Granting, in the Alternative, an Administrative Expense Claim and Payment from Escrowed Funds; and (III)*

---

<sup>1</sup> The Debtors in these Chapter 11 Cases, along with the last four digits of their U.S. federal tax identification numbers, to the extent applicable, are Franchise Group, Inc. (1876), Freedom VCM Holdings, LLC (1225), Freedom VCM Interco Holdings, Inc. (2436), Freedom Receivables II, LLC (4066), Freedom VCM Receivables, Inc. (0028), Freedom VCM Interco, Inc. (3661), Freedom VCM, Inc. (3091), Franchise Group New Holdco, LLC (0444), American Freight FFO, LLC (5743), Franchise Group Acquisition TM, LLC (3068), Franchise Group Intermediate Holdco, LLC (1587), Franchise Group Intermediate L, LLC (9486), Franchise Group Newco Intermediate AF, LLC (8288), American Freight Group, LLC (2066), American Freight Holdings, LLC (8271), American Freight, LLC (5940), American Freight Management Company, LLC (1215), Franchise Group Intermediate S, LLC (5408), Franchise Group Newco S, LLC (1814), American Freight Franchising, LLC (1353), Home & Appliance Outlet, LLC (n/a), American Freight Outlet Stores, LLC (9573), American Freight Franchisor, LLC (2123), Franchise Group Intermediate B, LLC (7836), Buddy's Newco, LLC (5404), Buddy's Franchising and Licensing LLC (9968), Franchise Group Intermediate V, LLC (5958), Franchise Group Newco V, LLC (9746), Franchise Group Intermediate BHF, LLC (8260); Franchise Group Newco BHF, LLC (4123); Valor Acquisition, LLC (3490), Vitamin Shoppe Industries LLC (3785), Vitamin Shoppe Global, LLC (1168), Vitamin Shoppe Mariner, LLC (6298), Vitamin Shoppe Procurement Services, LLC (8021), Vitamin Shoppe Franchising, LLC (8271), Vitamin Shoppe Florida, LLC (6590), Betancourt Sports Nutrition, LLC (0470), Franchise Group Intermediate PSP, LLC (5965), Franchise Group Newco PSP, LLC (2323), PSP Midco, LLC (6507), Pet Supplies "Plus", LLC (5852), PSP Group, LLC (5944), PSP Service Newco, LLC (6414), WNW Franchising, LLC (9398), WNW Stores, LLC (n/a), PSP Stores, LLC (9049), PSP Franchising, LLC (4978), PSP Subco, LLC (6489), PSP Distribution, LLC (5242), Franchise Group Intermediate SL, LLC (2695), Franchise Group Newco SL, LLC (7697), and Educate, Inc. (5722). The Debtors' headquarters is located at 109 Innovation Court, Suite J, Delaware, Ohio 43015.

*Granting Related Relief* (the “Motion”) with the United States Bankruptcy Court for the District of Delaware (the “Court”).

**PLEASE TAKE FURTHER NOTICE** that, any responses or objections to the Motion must be in writing and filed with the Clerk of the Court, 824 North Market Street, 3<sup>rd</sup> Floor, Wilmington, Delaware 19801 on or before **July 15, 2025 at 4:00 p.m. (Prevailing Eastern Time)** and served upon the undersigned counsel.

**PLEASE TAKE FURTHER NOTICE** that, if any objections to the Motion are received, the Motion and such objections shall be considered at a hearing before the Honorable Laurie Selber Silverstein, United States Bankruptcy Judge for the District of Delaware, at the Court, 824 North Market Street, 6<sup>th</sup> Floor, Courtroom 2, Wilmington, Delaware 19801 on **July 22, 2025 at 10:00 a.m. (Prevailing Eastern Time)**.

**PLEASE TAKE FURTHER NOTICE THAT, IF NO OBJECTIONS TO THE MOTION ARE TIMELY FILED IN ACCORDANCE WITH THIS NOTICE, THE COURT MAY GRANT THE RELIEF REQUESTED IN THE MOTION WITHOUT FURTHER NOTICE OR HEARING.**

July 7, 2025  
Wilmington, Delaware

**WOMBLE BOND DICKINSON (US) LLP**

/s/ Marcy J. McLaughlin Smith

Matthew P. Ward, Esq. (Del. Bar No. 4471)

Lisa Bittle Tancredi (Del. Bar No. 4657)

Marcy J. McLaughlin Smith (Del. Bar No. 6184)

1313 North Market Street, Suite 1200

Wilmington, DE 19801

Telephone: (302) 252-4320

Facsimile: (302) 252-4330

Email: [matthew.ward@wbd-us.com](mailto:matthew.ward@wbd-us.com)

[lisa.tancredi@wbd-us.com](mailto:lisa.tancredi@wbd-us.com)

[marcy.smith@wbd-us.com](mailto:marcy.smith@wbd-us.com)

*Counsel for the Gazzo Parties*